



# South Central Idaho News

BLAINE, CAMAS, CASSIA, GOODING, JEROME, LINCOLN, MINIDOKA & TWIN FALLS COUNTIES

## ECONOMIC TRENDS

February's seasonally adjusted unemployment rate for the Twin Falls-Jerome Micropolitan Statistical Area continued its incremental decline, falling to 2.7 percent, just two-tenths of a point below January. The rate was seven-tenths lower than a year earlier, when it was 3.4 percent. The year has started out strong, and continued job growth is anticipated throughout 2007, with nearly all sectors showing year-over-year job increases. However, the financial services industry has cut jobs, mostly from the contraction in residential home sales which are reportedly down 35 percent from last year. The professional and business services sector showed abnormally minimal growth – 30 jobs – year over year. This likely stems from the tight labor market that has created shortages for staffing agencies as well. Workers to fill temporary labor positions have become scarcer due to the increased full-time employment opportunities in the market. Another part of this sector, telemarketing or customer service companies, has seen attrition in Twin Falls due to the competitive labor market, which has made back-filling those jobs difficult. The government sector also took a dip in the Twin Falls area, and while that reflects shrinking government budgets, it could indicate a push by some public policy officials toward less government.

Population estimates for 2006 recently released from the U.S. Census Bureau confirm what has been clogging up Blue Lakes Boulevard, the main street through Twin Falls – the area has grown dramatically since the census. South Central Idaho Table 2 on page 17 compares the 2000 census figures to the new estimates for all the area counties. The region as a whole grew by just under 7 percent. Declines were posted only in Minidoka County where the population dropped 5.6 percent, and Cassia County, which saw a fractional two-tenths of a percent decrease – 51 people over six years. Inter-

South Central Idaho Table 1: Twin Falls-Jerome MicSA Labor Force & Employment—Twin Falls and Jerome counties

	Feb 2006*	Jan 2007	Feb 2006	% Change From	
				Last Month	Last Year
<b>INDIVIDUALS BY PLACE OF RESIDENCE</b>					
<i>Seasonally Adjusted</i>					
Civilian Labor Force	48,630	49,230	48,280	-1.2	0.7
Unemployment	1,300	1,430	1,660	-9.1	-21.7
% of Labor Force Unemployed	2.7	2.9	3.4		
Total Employment	47,330	47,800	46,620	-1.0	1.5
<i>Unadjusted</i>					
Civilian Labor Force	47,900	48,280	47,950	-0.8	-0.1
Unemployment	1,660	1,860	2,050	-10.8	-19.0
% of Labor Force Unemployed	3.5	3.9	4.3		
Total Employment	46,240	46,420	45,900	-0.4	0.7
<b>JOBS BY PLACE OF WORK</b>					
<b>Nonfarm Payroll Jobs**</b>	38,360	38,020	37,120	0.9	3.3
<i>Goods-Providing Industries</i>	7,050	6,970	6,380	1.1	10.5
Natural Resources & Mining	30	30	30	0.0	0.0
Construction	2,110	2,120	1,990	-0.5	6.0
Manufacturing	4,910	4,820	4,360	1.9	12.6
Food Manufacturing	2,640	2,620	2,480	0.8	6.5
Other Manufacturing	2,270	2,200	1,880	3.2	20.7
<i>Service-Providing Industries</i>	31,310	31,050	30,740	0.8	1.9
Trade, Transportation & Utilities	9,590	9,740	9,540	-1.5	0.5
Wholesale Trade	1,830	1,800	1,840	1.7	-0.5
Retail Trade	5,440	5,530	5,490	-1.6	-0.9
Utilities	140	200	150	-30.0	-6.7
Transportation & Warehousing	2,180	2,210	2,060	-1.4	5.8
Information	620	630	610	-1.6	1.6
Financial Activities	1,590	1,640	1,670	-3.0	-4.8
Professional & Business Services	4,290	4,140	4,260	3.6	0.7
Educational & Health Services	4,960	4,940	3,240	0.4	53.1
Leisure & Hospitality	3,040	3,010	2,930	1.0	3.8
Other Services	1,440	1,430	1,340	0.7	7.5
Government Education	3,330	3,070	3,300	8.5	0.9
Government Administration	2,450	2,450	3,850	0.0	-36.4

\*Preliminary Estimate

\*\*Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month

estingly, Cassia and Minidoka counties had among the state's highest birth rates since 2000. Cassia County ranked fifth and Minidoka County 13th. Population grew 11.7 percent in Twin Falls, but the highest regional growth rate was in Blaine County, which saw a 13.2 percent population increase, apparently the result of an increasing stock of affordable housing in the state's most expensive housing market. Lincoln County also showed high population growth at 11.8 percent, also due primarily

South Central Table 2: Census Comparison, 2000 to 2006 by County, Area

Geographic Area	Population April 2000	2000 Rank	Population July 2006	2006 Rank	Total Population Change*	Pop. Change Rank	% Change
<b>State</b>	<b>1,293,953</b>		<b>1,466,465</b>		<b>172,509</b>		<b>13.3%</b>
<b>Region 4</b>	<b>162,397</b>	<b>4</b>	<b>173,626</b>	<b>4</b>	<b>11,226</b>	<b>4</b>	<b>6.9%</b>
Blaine County	18,991	17	21,501	15	2,510	10	13.2%
Camas County	991	44	1,088	43	97	30	9.8%
Cassia County	21,416	13	21,365	16	-51	35	-0.2%
Gooding County	14,155	21	14,404	21	246	26	1.8%
Jerome County	18,342	18	20,130	17	1,788	14	9.7%
Lincoln County	4,044	39	4,522	37	478	22	11.8%
Minidoka County	20,174	15	19,041	18	-1,133	44	-5.6%
Twin Falls County	64,284	6	71,575	6	7,291	5	11.3%

to new affordable housing that is accommodating construction, clerical and landscaping workers commuting to Blaine County for higher wages and stable employment.

Water for the growers, rafters, fishermen and boaters appears promising this season. Snow packs are at 75 percent to 85 percent of normal for most of Idaho. Reservoir storage is at 100 percent to 130 percent of average throughout most of the state. With some continued precipitation, the water users will have sufficient water supply.

## AREA DEVELOPMENTS

### CASTLEFORD

- Voters passed a \$116,000 supplemental school levy to maintain operations for the next two years. Because of last August's property tax relief from the Legislature, taxpayers should still see a drop in their tax bills even with the new levy.

### JEROME

- Jerome's new elementary school is expected to be open in December while the middle school is scheduled to open following spring break next year. The \$9.2 million elementary school will handle 600 students and will be nearly full when it opens. The \$17.2 million middle school will handle 850 students and will also be nearly full when it opens. Jerome County's population has just topped 20,000, which further reinforces the need for new schools and future planning for school needs. The county's birth rate was also the 12<sup>th</sup> highest in the state.
- The corridor into the city of Jerome has another attractive building. The new First American Title building had a ribbon-cutting in March.
- St. Alphonsus Regional Medical Center has transferred ownership of St. Benedicts Family Medical Center in Jerome to the Benedictine Health System, a Catholic health care organization that specializes in

operating rural hospitals and long-term care facilities. Benedictine currently runs Clearwater Valley Hospital and Clinics in Orofino and St. Mary's Hospital and Clinics in Cottonwood. Critical clinical collaboration and necessary administrative services between St. Alphonsus and St. Benedicts will continue. St. Alphonsus will also retain one seat on the St. Benedicts Board of Directors. Serving the Magic Valley since 1953, St. Benedicts is a full-service 25-bed hospital and offers inpatient care, acute care, long-term care, general and laparoscopic surgery, rural health clinics, a 24-hour emergency room, obstetrics, outpatient laboratory, diabetes management, visiting specialists, home health, occupational health and x-ray procedures. In addition, St. Benedicts has an attached long-term care unit licensed for 40 beds.

### TWIN FALLS

Smaller business owners must be extremely responsive to changing conditions if they want to survive evolving markets because they do not have the budget contingencies bigger businesses have. In Twin Falls, several long-time businesses celebrated monumental events during March.

- Pioneer Federal Credit Union opened a new branch to serve the Blue Lakes corridor and the retail area spilling over from the mall area.
- Specialty Paint, which has been in business for 20 years, recently celebrated a change in ownership with a ribbon cutting for the new proprietor.
- Sleep Solutions hosted a ribbon cutting at its new business.
- JM Kitchens celebrated 40 years in business with a chamber gathering and ribbon cutting.
- Wal-Mart will be occupying the corner of Poleline and Washington in Twin Falls. The 24-hour store will have a garden center, an automotive servicing center and

a drive-through pharmacy. The giant retailer won a battle against its neighbors when the Twin Falls Planning and Zoning Commission allowed building restrictions in the North Haven Public Utility District agreement to be modified. While Wal-Mart beefs up shopping options in the corridor, critics fear it will compound the traffic congestion that will come with completion of the new high school and hospital in the area.

#### MINIDOKA AND CASSIA COUNTIES

- Plans continue for Brewster Dairy Inc. to take over the former Kraft plant in April. The city of Rupert has negotiated a compromise on sewage rates that maintains the normal rate for water usage but provides a 25 percent discount for sewage discharge over a period of 19 months. Celebrating its 40th year of production, Brewster is the nation's largest manufacturer of all natural Swiss cheese. The privately held corporation has production facilities in Brewster, Ohio, and Stockton, Ill. Brewster plans to begin production in Idaho on Nov. 1.
- Burley has been selected as the site for Gov. C.L. "Butch" Otter's water summit on April 17. This summit was spurred by the controversial Supreme Court decision allowing the Water Resources Board to continue administering junior and senior water rights under conjunctive management rules. Otter believes the summit will be a starting point for discussion on how to comply with the ruling. Many groundwater pumpers, including dairies, hold rights junior to those of surface water users.
- Baraka Hair Supply and Innovative LLC have opened in the Burley-Heyburn Industrial Park. Each expects to hire five new workers with wages ranging from \$8 to \$15 per hour. These very different businesses are owned by a married couple. Baraka Hair Supply will manufacture hair extensions from imported hair. Innovative LLC retrofits generators and construction equipment, making it portable for use in Third World countries experiencing infrastructure problems. A Gem Grant from Idaho Commerce & Labor assisted this business with infrastructure due to its relocation from Utah.

#### BLAINE COUNTY

- The Idaho Bounty food cooperative has been organized to work on behalf of organic farmers and ranchers in the Wood River Valley and south central Idaho to market to local consumers. This organization will work as a catalyst to promote a local sustainable and healthy food supply with cooperative members paying an annual fee plus a percentage of sales to cover its costs. The first shipment to 30 consumers in the

Wood River Valley included beef, pork, potatoes, eggs, beans and honey.

- The work force in Blaine County has always had affordable housing issues. Now the Blaine County School District is implementing several programs to address the shortage of educational professionals in their area, and one is housing. Ketchum, Carey and Hailey all have secured lots and are building affordable homes and duplexes that will be sold to school district employees and in some cases city employees. The residential construction academies at the community high schools are building these 42 units. The school district intends to work with other agencies to ensure staff has sufficient funds to cover closing costs and down payments for these units. Another short-term fix has the school district providing a monthly rent subsidy with declining payments based on time with the district. The 'Grow Your Own' program enables non-certified staff to take college classes toward teacher certification from Idaho State University and the College of Southern Idaho with the district paying for tuition and books.
- The median average home price in Sun Valley, based on information provided by the Sawtooth Multiple Listing Service, rose by 24 percent, and sales volume dropped 50 percent from 2005 to 2006. This is the most significant slowdown in the past 18 years to affect the resort town. This slowdown has not affected the \$2 million dollar plus homes, which indicates that second home ownership is still solid in the Wood River Valley. Home sales nationally are down 13.8 percent, and the decline in Idaho has been 35 percent. Median home prices for Sun Valley, the state and the nation with their year-over-year changes are shown in South Central Idaho Table 3, below.

South Central Table 3: Median Home Price Changes, 2005 to 2006		
Area	Median Price 2006	% Change From 2005
Sun Valley	\$735,000	+24% Change
Idaho	\$245,957	+11% Change
USA	\$219,800	-2.5% Change

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